

37. (Amended) The method of claim 31, wherein the smooth cell differentiation medium does not include exogenously added active TGF- $\beta$ 1.

38. (Amended) The method of claim 31, wherein the smooth cell differentiation medium comprises exogenously added active TGF- $\beta$ 1.

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*Please insert a new claim 39:*

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39. (New) The method of claim 31, wherein the smooth cell differentiation medium comprises one or more components selected from Table I.

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